

Contingency Contracting: Strengthening the Tail

by Brigadier General William L. Bond
and Major Nicholas L. Castrinos

The conference room was quiet; the chief of staff was deep in thought. It was D+8, and, logistically, things were a mess. The infantry task force still lacked any organic transportation assets to move their soldiers and heavy equipment forward. The Air Force was concentrating on flying in only combat units and their equipment. Few aircraft were being devoted to combat support units and all the equipment required to support the growing base camp.

A knock on the door broke the chief's train of thought. "Yes?" he said. It was the support operations officer. "Sir, our logistics problems are getting worse," he reported. "Our bottled water supply is becoming critical. Another couple of days without a delivery from the Air Force, and we will have to start rationing. The infantry battalion commander wants to know when his unit will receive engineer support in building the base camp defensive positions. He currently has a critical requirement for 50,000 filled sandbags. His unit has been working nonstop since D+3. On top of this, they also are providing base camp security. He can't keep this pace up much longer."

The chief exhaled. "Here it comes," thought the support operations officer. Looking up, the chief asked, "Any information on those contingency contracting officers who were being held up at home station?" "Yes sir," replied the support operations officer, "they were dropped off the TPFDD [time-phased force and deployment data list] at D-3. I'm not sure why. With a little luck, they should be here within the next 3 to 5 days. On the subject of LOGCAP [Logistics Civil Augmentation Program], under their contract they still have another week before they have to have support in place. They should be able to start providing limited support within the next 5 to 7 days. Sir, that's all the information that I have."

An Alternative Scenario

The conference room was buzzing with conversations among staff officers. The chief of staff sat back in his

chair and had to smile. While things were still tight, the infantry task force was in place and moving forward. The Air Force was still flying in mostly combat units, but that would change soon. Combat support units would follow. The chief was looking forward to receiving the organic support equipment needed to sustain his task force. As he looked out the window, he could see local nationals filling sandbags for the camp's defensive positions. The contingency contracting officer had hired a local labor company 2 days ago. "Thank goodness," he said to himself. "That infantry unit could not continue to build the camp and provide security much longer."

As the chief turned back in his seat, he spotted the COCO [chief of the contracting office] and waved him over. "Major, give me an update."

As the COCO sat down, he opened his notebook. "Well, sir, as of D+7 we now have over 45 contracts in place with local vendors. Yesterday, one of my purchasing NCO's [noncommissioned officers] located a water bottling company north of here. The preventive medicine team just finished certifying the plant. The company will start delivering bottled water sometime tomorrow morning. We also located a bus and heavy equipment company. While their transportation equipment is not state of the art, it is capable of moving our soldiers and their equipment forward, including M1's and Bradleys [tanks and infantry fighting vehicles]. The total value of all contracts so far is just over \$1.5 million. Sir, that's all the information I have right now."

Every Commander's Logistics Force Multiplier

With today's austere logistics tail, any operational deployment will require vast amounts of contracted services and commodities. Contracts will cover everything from small local purchases by units for items as mundane as bolts and nuts, to basic repair parts for office equipment, to million-dollar contracts for power. Literally hundreds of thousands of dollars per day could be obligated during a deployment.

Following the Persian Gulf War, the Army created

contingency contracting officers (CCO's) to support commanders beyond their organic support capabilities. These officers are found at the division and corps levels. Each division in the continental United States (CONUS) is authorized two CCO's, normally a major and a captain. They usually are assigned to the division support command (DISCOM). At the corps level, CCO's are authorized on the corps support command (COSCOM) staff and within elements of the COSCOM. A total of 6 to 10 CCO's usually are assigned to the COSCOM. The senior CCO in the corps is a lieutenant colonel who acts as the chief of the corps acquisition section; the other CCO's in the corps are captains and majors. The chief of the corps acquisition section is responsible for planning and executing contingency contracting for the corps; training subordinate CCO's and contract support personnel; and advising the COSCOM and corps commanders on all aspects of contingency contracting.

Forward-deployed divisions and corps currently are not assigned CCO's. This should change with Force XXI. At present, military contracting officers in Europe are centrally located and assigned (allotted) by the commander of U.S. Army Contracting Command, Europe. When deployed, these military (and sometimes civilian) contracting officers become CCO's and support deployed forces just like their counterparts in CONUS.

Recently, a new additional skill identifier was approved for purchasing NCO's. While this is a step forward, it will take several years before a sufficient number of purchasing NCO's will be available for deployment.

The CCO's Mission

Bottom line up front: assuming that there is an economic base to draw from in a theater of operations, a deployed contracting officer can provide the task force commander with almost any combat support or combat service support function or supply that his organic force structure is designed to provide. For example, in Kuwait CCO's routinely provide troop transport, heavy equipment transport, bottled water, self-service supply center supplies, rental vehicles, leased office equipment, cell phones, and just about any other item you can think of that is not restricted (such as medical items).

The CCO's generic mission is no different than that of a contracting officer in a systems or installation contracting office: to provide responsive support to the customer (the commander), comply with laws and regulations, and apply sound business judgment. What is different, though, is the environment in which the CCO performs. Contingencies, by their very nature, are emer-

gency situations: war, low-intensity conflict, peacekeeping, disaster relief, humanitarian relief, and noncombatant evacuation. The CCO can face physical danger, extreme mission urgency, and 16- to 18-hour workdays, 7 days a week. In addition, he may be deployed to a location he knows little about, dealing with vendors who often have little or no knowledge of U.S. Government procurement practices and working without the home station support of more experienced contracting personnel. This is a daunting mission!

The CCO's Responsibilities

In contingency operations, contracting is much more tangibly a logistics function than in installation or systems contracting. Contingency contracting is sometimes referred to as "life support" contracting; this term reflects the reality that, in bare-base environments, the military force is almost completely dependent on the CCO for food, water, shelter, sanitation, and other basic necessities. This is especially true in the early stages of an operation. The CCO will think and act as a logistician.

In many contingency operations, the CCO becomes the largest employer in the local area as soon as he arrives. Contract obligations to support a task force often can run into millions of dollars every month (as in Bosnia). The CCO must be aware of the economic impact of his actions on the local economy and populace and keep his commander informed. The CCO, by virtue of his day-to-day contact with vendors, workers, and businessmen, often has as good or better insight into the hearts and minds of the local population as any member of the force. This insight also must be shared with the commander whom the CCO supports.

Serving as a CCO can lead to some significant ethical dilemmas. Sometimes, the need to support the mission can conflict with the requirements of laws and regulations. The CCO must exercise sound judgment and act in accordance with his training, experience, and conscience to do the right thing. He will be a risk manager. To be blunt, the CCO will likely encounter situations during contingencies in which there is no way to avoid jeopardizing the mission of the force without stretching procurement laws and regulations. CCO's are encouraged to use U.S. laws and regulations as a baseline. Commanders must understand that CCO's cannot pick and choose which laws and regulations they will follow. Current acquisition laws and regulations are broad enough to allow CCO's the means to get the job done without violating their provisions.

Recent contingencies have shown that CCO's will support the mission. CCO's will document their actions, request relief from restrictive laws and regulations, and

seek alternative methods of procurement (such as using the host nation's resources). Yet the bottom line is that the CCO will support the commander and the task force mission.

CCO's Need Support

As noted above, the existing modification table of organization and equipment (MTOE) authorizes only two military contracting officers per division. While NCO positions are listed in the MTOE, they currently are not filled Army-wide. As with any customer support organization, CCO's need NCO's and clerks. Without proper office support staffing, a contracting office will be slow to provide critical contracting support or, in the worst-case scenario, unresponsive to anything not deemed critical.

The contingency contracting office must be supplied with at least the minimum number of personnel to perform its function. This typically means assigning two NCO's (E6 or 7) and two junior enlisted soldiers (E3 or 4). While providing office support personnel who have a background in supply would be ideal, it also may be unrealistic. Fortunately, any NCO or junior enlisted soldier can be trained in a matter of days to support a contingency contracting office.

While office support personnel are critical, there are several other contingency contracting support functions that are equally important. Field ordering officers, contracting officer's representatives, and class A agents support the CCO outside of the contracting office. What follows are brief descriptions of each of these support jobs.

Field ordering officer (FOO). While CCO's are responsive, they cannot purchase multiple items for multiple units in a timely manner. Day in and day out, micro-purchasing is a time-consuming process that is best accomplished by FOO's. FOO's come from within a unit; the job is considered an additional duty. FOO's work directly for their units, quickly buying the many items that a unit requires day to day. While FOO's are supervised by the CCO, they have the procurement authority to furnish timely support to their units. FOO's can provide needed supplies within hours, while the CCO can take longer (perhaps days). FOO's may be appointed by letter, in accordance with Service procedures, to make purchases up to the micro-purchase threshold (the aggregate amount does not exceed \$2,500).

Contracting officer's representative (COR). A CCO cannot be everywhere at once. Ensuring that a contractor performs his service in accordance with the terms and conditions of the contract is critical to both the CCO and the supported unit. This is the job of the COR. A COR is appointed by a CCO to act as his authorized representative in the technical monitoring or adminis-

tration of a contract. Like FOO's, COR's come from within a unit and the job is considered an additional duty. Under no circumstances may a COR direct changes that affect price, quantity, quality, delivery, or other terms or conditions of a contract. The mission of the COR is to monitor and enforce the contract as written. The most important job of a COR is issuing a receiving report to the CCO. Without this report, the CCO cannot authorize payment to the contractor.

Class A agent. Class A (disbursing) agents are nominated by their command and appointed by the finance and accounting officer to make cash payments as specified in their appointment orders, including cash payments to vendors for goods and services acquired through procurement procedures. Class A agents support the CCO in over-the-counter purchasing or in situations that demand on-the-spot payment for supplies or services. Appointment of class A agents normally is limited to commissioned officers, warrant officers, or senior NCO's by Service and command procedures. The agents have no procurement authority; they are disbursement agents only.

Training FOO's, COR's, and Class A Agents

It is the CCO/COCO's responsibility to train FOO's, COR's, and class A agents (though responsibility for training class A agents is shared with the finance and accounting officer). We strongly recommend that this training be done routinely in advance of actual contingencies. Once deployed, the CCO's time is very valuable and contracting support personnel typically serve only as an additional duty. To realize the full benefit of having FOO's, COR's, and class A agents, they must be trained before they hit the ground in a contingency.

If You Don't Read Anything Else, Read This!

Here is the perfect CCO deployment scenario. A situation develops that has national security implications, and the CCO's unit is alerted for possible deployment. While the unit is preparing for deployment, the commander normally will deploy some sort of advance party or survey team. This team usually will fly either into the contingency area or as close as possible on military aircraft or civilian airliners. It is critical that the CCO be part of this team.

Before deploying, the CCO must be given bulk funding authority (enough to cover all expenses for the first 30 days—probably 1 to 5 million dollars) and placed on temporary duty orders. As a member of the survey team, he will advise the team leader on contracting requirements and provide contracting support to the team as needed. Once the survey team is finished and ready to redeploy to home station, the CCO should *remain in place in the theater*.

The CCO then starts work on preparing for the arrival of forces. It should be noted that, at this point, it is not certain that the contingency deployment actually will occur. But the CCO must be ready on very short notice to support an execution order from the National Command Authority.

While the CCO does have bulk funding authorization, he will not obligate (spend) any of this money during this phase of the operation. What he does instead is start identifying potential vendors in the area who can provide the support that will be needed by the joint task force. Once he identifies these companies, he will negotiate what are called blanket purchase agreements (BPA's) with them. While the BPA may sound like a contract, it is not. It is only an agreement between the company and the U.S. Government under which the company agrees to provide a service or commodity at an agreed price if needed. There is no requirement for the company to provide the item and no requirement for the Government to purchase from the company, just an agreement that the company will provide the service or commodity if asked. The beauty of this arrangement is that if the deployment is canceled and the CCO returns to his home station, no funds will have been spent because no actual contracts were signed.

The CCO will set up BPA's with hotels, rental car agencies, transportation companies, sanitation and refuse companies, airfield service companies (to include refueling), and any other company that the CCO thinks will be needed to provide support. This process may take 1 or 2 days or a week or more, depending on the location of the contingency. Once the BPA's are in place, the CCO can provide timely support to the commander; it is just a matter of calling in support if the contingency kicks off.

Let's return to the perfect deployment scenario to see how this process works out. In the middle of the night, the CCO gets a phone call from the emergency operations center at his home station. They just launched 2 C-17's, 2 C-5's and 4 C-141's carrying 300 soldiers and their heavy equipment. The planes will arrive in less than 8 hours.

If the CCO does not have BPA's in place, he has failed the commander. There is no way he will be able to find, much less arrange for, support within 8 hours. On the other hand, if he does have BPA's in place, he can pick up the phone and start making calls against the agreements. Once he places a call against a BPA, funding is needed. This is where the bulk funding becomes critical. CCO's will do almost anything to support a contingency mission, but the one thing they will never do is obligate money without authorization. It is little wonder that CCO's consider bulk funding critical to the success or failure of a contingency mission. CCO's will

fight, argue, or flat out demand that bulk funding be provided before they deploy on a survey team.

Eight hours later, the planes start arriving and 300 tired, hungry soldiers start deplaning. Because the CCO had his BPA's in place and the bulk funding to support the mission, the troops see buses and trucks standing by to move them forward and air field servicing companies ready to offload equipment and transload it onto flatbed trailers for movement. The CCO even could have contracted for a hot meal to be served to the soldiers before they moved forward. In short, he can provide almost any combat support or combat service support function needed during this timeframe. He is a force multiplier!

Lessons to Remember

As the Army gets smaller, the need for contingency contracting officers only will grow. New doctrine on CCO's was scheduled to be on the street in January. This doctrine will cover how CCO's will be employed on the battlefield and how support should be provided. Every commander should either read this new field manual or ensure that his staff does. While this new doctrine will help improve CCO support, it remains paramount that commanders include CCO's in regularly scheduled training. Local field training exercises, National Training Center rotations, and Battle Command Training Program exercises will enhance our ability to support the logistics commander in the next contingency.

Brigadier General William L. Bond is the director of the Army Digitization Office in the Office of the Deputy Chief of Staff for Operations and Plans, Department of the Army. An Air Defense Artillery officer, he holds a bachelor's degree in business administration from Oregon State University and a master's degree in acquisition management from Florida Institute of Technology. He is a graduate of the Army Command and General Staff College and the Industrial College of the Armed Forces.

Major Nicholas L. Castrinos is the primary instructor for the Contingency Contracting Course at the Army Logistics Management College, Fort Lee, Virginia. An Infantry officer, he holds a bachelor's degree from Evergreen State College in Washington and a master's degree in international relations from Troy State University in Alabama.